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Poling, Sarni list challenges of '90s

DETROIT — The 1990s will present challenges to survival as well as worldwide opportunities for the auto industry, and makers and suppliers will have to devote all their resources to meeting them.

That message emerged as a common theme in the keynote addresses — one from the manufacturing side, one from the supplier side — delivered at the Automotive News World Congress Sunday night.

In texts prepared for the opening-night speeches, Ford Motor Co. Vice Chairman Harold "Red" Poling and PPG Industries Chairman Vincent A. Sarni outlined the areas their companies will concentrate on as the new decade opens.

Both foresee more of the tough competition that flourished in the 1980s. Poling cited the large number of changes — in such areas as environmental regulations, consumer needs and international politics — that will face the industry.

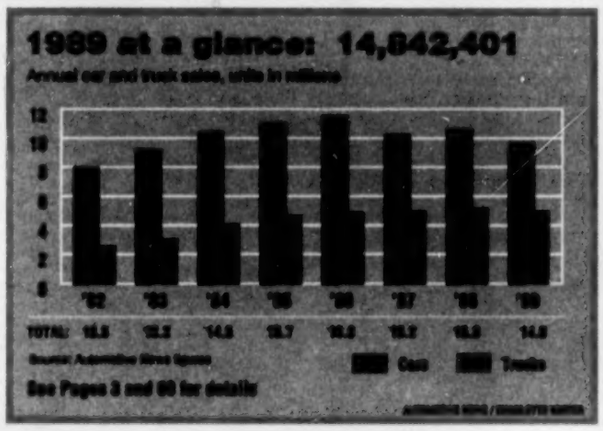
"Those companies that will be the most successful are those that will rise to these challenges by acknowledging the new realities of the '90s, accepting the new responsibilities and initiating new responses that the 1990s will demand," said Poling, who will guide Ford in the early part of the decade as its chairman.

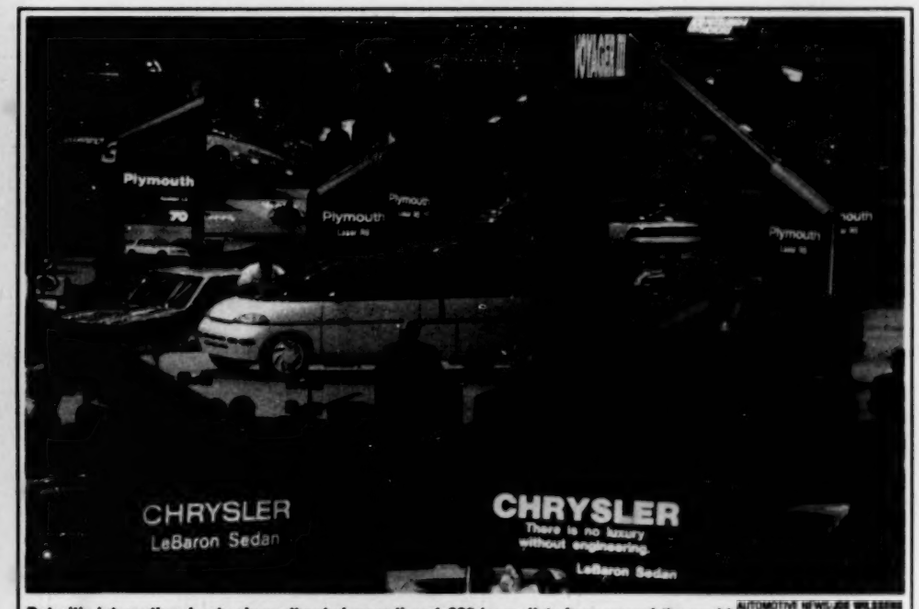
Sarni — whose company is a large supplier of automotive glass, fiberglass, chemicals and paints — pointed out the need for change in the relationship between suppliers and manufacturers. He said suppliers are "lagging behind" their automaker customers in achieving consistent quality and called for better communication between the two.

Sarni outlined eight items that should be on the agenda of any supplier that hopes to survive the 1990s:

- **Partnerships:** "There is a common

see CONGRESS, page 57





AUTOMOTIVE NEWS/JOE WILSEEN

Detroit's international auto show attracted more than 1,000 journalists from around the world.

Auto show trends: *The words from Detroit are 'clean, frugal, safe'*

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The second North American International Auto Show features technology honed by social and environmental concerns.

Clean-burning, lightweight and fuel-frugal engines; traffic-efficient vehicles, and safety exhibits are spread evenly around the 600,000-square-foot show floor.

Still, die-hard car fanatics are not ignored. A record number of new production and concept cars fill Detroit's Cobo Center. Among them: Chevrolet's 1991 Caprice, Buick's Park Avenue, Ford's redesigned Escort, BMW's flagship 850i coupe, Toyota's MR2, General Motors' 650-horsepower CERV III, ASC's Vision II and Volkswagen's Futura.

The show began Saturday, runs through Jan. 14 and features over 750 vehicles.

see AUTO SHOW, page 4

Import fighter by Cadillac could be a '95

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Cadillac unwrapped its luxury-grade import fighter at the 1990 North American International Auto Show here last week. The only glitch is, it won't be ready until the 1995 model year, if at all.

Called the Aurora, it is almost a mirror image of Cadillac's LSS, a previous concept car that was never publicly displayed.

LSS, short for Luxury Sport Sedan, supposedly was Cadillac's best offense against Toyota's Lexus and Nissan's Infiniti, as well as European imports. Cadillac officials contend the division isn't being hurt by Lexus and Infiniti. The European imports, they say, are being hurt.

But John Grettenberger, Cadillac general manager, said the LSS has been scuttled.

He said Cadillac had categorized the LSS only as a "concept," not a car. He called the Aurora "an extension" of the LSS.

The LSS never received official corporate approval to go into production even though officials said it could be ready by 1992.

> "Sleek styling, performance, handling and a solid, distinctive packaging theme are important, especially to younger buyers."
>
> John Grettenberger
> Cadillac

Grettenberger hinted strongly that the Aurora could be ready for production by 1994 and on sale the following year.

He said the company will conduct an extensive market research program during the next 12 months to decide Aurora's fate — production or the scrap heap.

"We want to know if current and potential luxury-car owners would be attracted to such a vehicle, and if it is in context with what Cadillac is and should be," he said.

He characterized the vehicle as

see AURORA, page 58

For 1990, Big 3 foresee sales erosion, not a gullywasher

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

The Big 3 automakers appear to be giving the 1990 economy 2½ stars out of a possible four. Not exactly an Academy Award winner, but not a turkey either.

Ford Motor Co. and Chrysler Corp. predict 1990 calendar year sales of cars and trucks in the United States will be about 14.5 million units, down 2 percent from 1989's 14.8 million.

Chrysler adjusted an earlier forecast from 14.2 million units.

Economic Outlook Section Pages 29-39

And General Motors, the most bullish of the three, says this year's sales will range from 14.5 million to 15 million units.

George C. Eads, GM's economist, says 15 million is reasonable if price trends follow 1989, including broad use of incentives to reduce transaction prices.

Automotive News predicts industry sales at 14.5 million units while Wall Street analysts' forecasts range from a low of 13.7 million cars and trucks to a high of 14.7 million.

The National Automobile Dealers Association expects sales of cars and trucks to fall to 13.7 million in 1990. NADA bases its prediction on recent declines in sales trends.

NADA also estimated 1990 declines of 5 percent for domestic vehicles, 7 percent for imports and 3 percent for light trucks.

Ford projects sales of 9.6 million cars and 4.9 million trucks for 1990, while Chrysler predicts 9.5 million cars and 5.0 million trucks. GM does not subdivide its prediction.

Chrysler also expects that sales of foreign vehicles — including built-up and transplant vehicles — will not exceed the 1989 total of about 4.6 million units.

Both Ford and Chrysler peg U.S. economic growth next year at 1.5 percent, while GM says 1 percent to 2 percent.

see OUTLOOK, page 29

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Autos after perestroika:
Enormous demand for cars is forcing the Soviet auto industry to look West — and that means more joint ventures and exports are being planned. Stories start on Page 4.

Hyundai selects Hayden to direct its operations in U.S.

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

FOUNTAIN VALLEY, Calif. — Hyundai Motor America last week appointed Rodney E. Hayden executive vice president and chief operating officer, ending a three-month search for a top American executive.

Hayden, 58, becomes the third head of the Korean importer in six months. A veteran import hand, he gives Hyundai's thinned-out ranks of senior executives some badly needed sales and administrative experience.

Before taking early retirement in mid-1988, Hayden was senior vice president and general manager of Mazda Motors of America (Central). That organization made up the largest portion of Mazda's U.S. operations until the No. 4 Japanese importer combined its two U.S. sales organizations into a single unit. Hayden spent 16 years with Mazda, in both regional sales and national headquarters positions.

Hayden

Earlier, Hayden worked for 12 years at Chrysler Corp. in field sales jobs.

"We are pleased to have an individual of Mr. Hayden's knowledge and experience join our team, and we look forward to his leadership as we enter the 1990s," said H.W. Baik, president and chief executive officer of Hyundai Motor America.

Hayden inherits a company that is struggling to regain the momentum it had in its first three years of operation. It peaked in 1988 with sales of 264,282 cars, but fell to 183,261 last year, a decline of 30.66 percent.

Dealer profits — which had once sparkled — plummeted, and a number of showcase Hyundai dealerships were lost in 1989. Difficulties in finding lenders to finance Hyundai consumer loans forced Hyundai to create its own financing arm, which will begin operation early this year.

Executive Vice President Max Jamiesson left the company last July. His replacement, Greg Warner, who had been group vice president of sales and marketing, resigned in October.

Group Vice President Bruce Campbell has been acting chief operating officer. He will return to his previous post.

Hayden will have to act quickly to restore dealer and national staff confidence.

But the potential for recovery is in place.

Hyundai currently has 315 dealers, up slightly from last fall. A new Excel and the Sonata — a larger, Honda Accord-sized car — were introduced in 1989. Scoupe, a sporty coupe based on the new Excel platform, will arrive this year to give Hyundai three lines to sell. Until last year, it had only one.

GM's electrically powered Impact accelerates to 60 mph in 8 seconds.

LA SHOW: *GM's speedy electric Impact shares stage with environment*

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — General Motors captured center stage at the 1990 Greater Los Angeles Auto Show by unveiling a fully-engineered prototype electric car.

The car, dubbed Impact, won't be a viable production vehicle until battery life can be doubled to at least 40,000 miles, GM Chairman Roger B. Smith acknowledged, but he expects that technological barrier to be breached within two years.

The GM initiative underscored the alternative fuels theme set by the keynote speaker during the media preview preceding the Los Angeles show, which opened Saturday.

Bill Sessa, communications director of the California Air Resources Board, noted that despite stringent air-quality regulations that have halved Southern California air pollution in the last 20 years, there are still 150 days each year during which breathing can cause permanent lung damage.

"Los Angeles is the only city in the United States where the air is actually getting better," Sessa said. "But it's still by far the worst air quality in the country." Air pollution in California is responsible for 75 percent of U.S. smog-related health problems, he said.

"An uncommon degree of cooperation between the fuels industry and the auto industry will be needed," said Sessa, to produce "ultra-clean" cars and gasoline that can meet tougher emission standards of 50 to 80 percent less polluting than current standards.

By 1997, California will probably require 20 percent of all new cars sold to meet this tougher standard, Sessa said.

Impact, patterned after the Sunracer experimental car that won a trans-Australia solar-powered vehicle race and styled by GM's Advanced Concept Center in Thousand Oaks, Calif., was touted by Smith as the first electric car designed from a clean sheet of paper instead of being a converted gas-engine car.

Citing Impact's 8-second, 0-to-60 mph acceleration (a GM video showed it beating a Mazda Miata and Nissan 300ZX off the line), Smith said the designers had tried hard to produce performance acceptable to Los Angeles drivers.

"I wouldn't want to get out there on an LA freeway in a golf cart," Smith said. "But this is a car that eliminates the objections to electric car performance."

Impact has a range of 120 miles on a single charge, and the 800-pound lead-acid battery pack must be replaced after about 20,000 miles, at a cost of about $1,500.

GM did not commit to produce Impact, but Smith said GM will conduct car clinics and other research to test public acceptance of the vehicle. If battery technology improvements hit GM goals and there is enough demand to justify "a full unit of production," GM could start production in four or five years, Smith said.

GM receives lowest grades as Harbour compares Big 3

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors — by one account — made only $47 per vehicle in North America in 1988 while its rivals, Ford Motor Co. and Chrysler Corp., made $591 and $228, respectively.

Ford has had the greatest gain in productivity at its plants since 1979, improving it by 40 percent. Chrysler upgraded its productivity 17 percent while GM's edged up a scant 5 percent.

Those and other statistics highlight the recently published Harbour Report, a research study by Harbour & Associates, based in Troy, Mich.

James E. Harbour, president, spent 30 years in the automotive business, first at Ford Motor Co. and then Chrysler Corp., before retiring in 1980 as Chrysler's director of corporate manufacturing engineering. Shortly after, he opened the consulting and research firm.

Harbour

His previous report — issued 10 years ago — caused quite a stir. It documented how the Japanese auto industry had a $1,500 cost advantage over the Big 3 for subcompact cars.

His latest study traces the automakers' performance during the 1980s. But some of the data, although noteworthy, isn't new.

For example, it's no secret that GM's market share had dipped to 34.1 percent by the end of 1988 from 44.1 percent in 1979, while Ford's market share increased to 23.6 percent from 22.6 percent, and Chrysler's share climbed to 13.1 percent from 11.4.

Harbour calculates per-vehicle profits by dividing net earnings by factory sales.

However, for GM he first subtracts earnings from Electronic Data Systems Corp., GM Hughes Electronics Corp. and General Motors Acceptance Corp.

His report rates GM's performance the worst of the domestic car companies, but the automaker is taking the thrashing in stride.

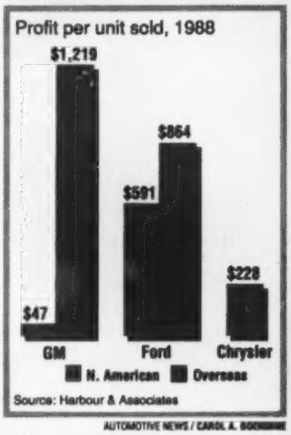
"Jim Harbour has done a careful analysis of the changing competitive factors that have occurred within the North American auto industry in the 1980s," said a GM spokesman. "Much of it concurs with our internal reviews and continuing organization studies."

The spokesman said it's no surprise that cost imbalances exist between GM and other companies, but that GM differs with Harbour on the extent of those imbalances.

Harbour concluded that if GM were as efficient as Ford, it would require 60,000 fewer workers and its annual pre-tax profit would rise $4 billion. Chrysler would need 15,000 fewer workers and its annual pre-tax profit would be boosted by $475 million.

In 1988, Chrysler used 89 percent of its car capacity and 98 percent of its truck capacity to build 2.2 million units. Ford was at 100 percent for cars and 105 percent for trucks, building 3.9 million units. GM, which built 5.8 million, was 87 percent for cars, 89 percent for trucks.

Big 3 unit profit



AUTOMOTIVE NEWS / CAROL A. BOEHNKE

Olds chooses dealer incentives over consumer rebates

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Pleased with the results, Oldsmobile will continue to offer primarily dealer incentives rather than consumer rebates for the next month.

Incentive watch, Page 42

The division has extended the cash-to-dealers program through Feb. 2. The program began in November and was to expire Jan. 3. It pays dealers $500 to $2,500 for sales of 1989 and 1990 models.

"We have been very pleased with the way it has worked," said Oldsmobile General Manager J. Michael Losh. "It has been well received by the dealers and the press."

Oldsmobile will offer cash rebates to consumers on 1989 and 1990 Cutlass Supreme models in response to Ford Motor Co.'s rebate program on the competing Ford Taurus and Mercury Sable.

Buyers of 1989 Cutlass Supremes receive a $1,500 cash rebate or 4.8 percent financing on 24-, 36- and 48-month loans and 10.9 percent on 60-month loans.

Buyers of 1990 Cutlass Supremes receive a $1,000 rebate or the same financing rates.

Finance rates of 6.9 percent, 8.9 percent, 9.9 percent and 10.9 percent for 24, 36, 48 and 60 months, respectively, continue on most other Oldsmobile models.

Dealers contacted by *Automotive News* generally favored dealer incentives over the consumer rebates. They said they like the flexibility it offers them.

Oldsmobile sales dipped to 600,037 last year, down 16.11 percent from 715,270 in 1988. The division's sales topped 1 million in 1983-86.

Correction

In the Decade in Review feature Jan. 1, photographs of the Cutlass Supremes for 1980 and 1981 were transposed.

Ford's 1991 Escort will continue to spearhead the automaker's fight in the small-car market.

Many hopes pinned on '91 Escort

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

RANCHO MIRAGE, Calif. — Ford Motor Co.'s 1991 Escort and Tracer series represents the automaker's attempt to meet its Japanese competition head-on in the small-car segment while ensuring that it can meet tough corporate average fuel economy standards and rack up nameplate sales leadership for Escort for the fifth model year in a row.

Ford's Capri, Explorer. Page 62

The assignment is a tall order, particularly since in calendar 1989 Escort finished third behind Honda Accord and Ford Taurus.

"The Escort and Tracer are bigger to us than Saturn is to GM; it is bigger to us than Taurus/Sable was," said Keith Magee, Ford Division marketing manager.

"The Taurus/Sable was important in helping the turnaround of Ford Motor Co.; this introduction is to help keep us in business," said Max Jurosek, vice president of car product development, referring to the tough CAFE standards the company will face in the 1990s.

Ford has spent nearly $2 billion on the Escort/Tracer (CT20) project, including a $600 million makeover of the its Wayne, Mich., assembly and stamping plant, compared with the nearly $3 billion it spent on Taurus/Sable. The company hopes to sell 500,000 Escort/Tracer units annually, up from about 350,000 in 1989. About 80 percent of the 500,000 projected sales will be Escorts.

The Escort is scheduled to go on sale April 26.

To ensure that Escort/Tracer meets its sales targets, Ford said it will sell the 1991 Escort and Tracer at the same price as the 1990 Escort and take a loss on each one. Ford believes selling a new car for less than Japanese small-car competitors could draw buyers — many of them first-time Ford buyers — into its showrooms.

The price-loss strategy is to ensure that the high volumes anticipated for the Escort/Tracer are met.

Using Ford's 1.9-liter, four-cylinder engine, the Escort/Tracer is getting mpg ratings of slightly above 34 in Ford's in-house tests compared with 33.6 mpg on the present Escort engine.

Ford engineers and executives affectionately call the CT20 "our CAFE car."

Ford's marketing strategy will be to drive home the quality and value message vs. the imports. Ford engineers claim that the new Escort has about 50 percent percent fewer "things gone wrong" than the old Escort.

"Taking on the imports is tough because of the reputation they have for quality, and our task now is to convince people right up front that the quality is there — that's the key," said Magee, who expects Escort to maintain its 30.20 percent share of the subcompact market and capture import share.

Sales totals for 1989 were Escort, 333,353; Tracer, 57,966.

Ford has made a significant effort in training and testing the car. Last April, Ford asked 200 employees — from secretaries to procurement representatives — to drive the car from Dearborn,

see SMALL CAR, page 61

1989 car-truck sales dip 6% to 14.8 million

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

The holiday season failed to provide any sales gifts for the U.S. auto industry. The industry ended the year in a continuing sales slump.

The 1989 calendar year wound up with total sales of 14,842,401 cars and light-, medium- and heavy-duty trucks, a decline of 6.03 percent from last year's 15,794,004 units.

The 1989 breakout showed 9,867,414 car sales, down 6.83 percent from 10,591,107 in 1988. Sales of trucks of all sizes totaled 4,974,987, a dip of 4.38 percent from last year's 4,974,987.

December sales of new cars and light trucks totaled 989,076, down 21.40 percent from 1,258,319 in December 1988.

With one less selling day in December, new-car sales declined 25.81 percent to 650,357. Sales of domestic cars dropped 25.92 percent to 455,686 while sales of imported cars fell a like 25.56 percent to 194,671.

In the Dec. 21-31 period, the industry sold only 193,005 domestically built cars, down 29.05 percent from last year's 272,046.

Sales of domestically produced cars and light trucks in late December totaled 318,448, off 20.51 percent from the year-ago period. There were eight selling days in the 1989 period and nine days in 1988.

For the full year, Ford Motor Co. was the only one of the Big 3 to increase its share of the car market. Ford rose to 22.07 percent from 21.62 percent in 1988. General Motors, which ended 1988 with 36.08 percent of the market, slid to 34.84 percent in 1989. Chrysler, which had 11.25 percent of the market in 1988, declined to 10.33 percent in 1989.

The lost domestic market share wound up as gains by Japanese makers for their total imported and domestically produced cars. Led by Honda and Toyota, the Japanese racked up 26.00 percent of the market compared to 23.13 percent in 1988.

Toyota grabbed 7.33 percent of the market, an increase over last year's 6.50 percent; Mazda increased its share to 2.67 percent from 2.42 percent last year; and Nissan came in at 5.17 percent, up from 4.46 percent last year.

Honda grabbed 7.94 percent of

see SALES, page 60

1989 TOP TEN

Car	Sales
1. Accord	362,707
2. Taurus	348,061
3. Escort	333,535
4. Corsica/Beretta	326,006
5. Cavalier	295,715
6. Camry	257,466
7. Civic	235,452
8. Tempo	228,426
9. Sentra	221,292
10. Grand Am	202,815

MARKET SHARES, 1989

	Total Sales	Pct. of Total
SUBCOMPACT	1,103,878	11.19
COMPACT	1,785,013	18.09
INTERMEDIATE	2,899,010	29.37
STANDARD	1,247,845	12.65
SPECIALITY	37,070	0.38
IMPORT	2,794,598	28.32
TOTAL	9,687,414	100.00

Skoda output dips as freed prisoners leave assembly line

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — The new, non-communist Czechoslovakian government's offer of amnesty to 20,000 prisoners has resulted in a loss of workers and a production slowdown for the Czech automaker Skoda.

Traditionally, prisoners have made up part of the industrial work force in Czechoslovakia's manufacturing plants.

Officials of Motokov, the country's auto industry ministry, say production should return to normal before the end of the month.

Petr Miller, Czechoslovakia's minister for labor and welfare, had reported that production at the Mlada Boleslav plant near Prague had come to a "near standstill" because so many workers were lost in the prison amnesty ordered by new Czech President Vaclav Havel on Jan. 1.

But a spokesman for Motokov in Prague said only 1,000 to 1,500 employees out of a total work force of about 20,000 at Mlada Boleslav have been lost. He said production has "slowed down, but not stopped."

"It is a difficulty that can be solved," he said. "We are taking extraordinary measures to solve the problem, and it should take a couple of weeks."

The spokesman did not speculate on how much output may be lost, but he said Skoda still expects to reach its production objectives for the year. He said the plant turned out 183,000 cars in 1989 and plans to build a few more — about 185,000 — in 1990.

The Mlada Boleslav facility produces the new, front-drive Favorit subcompact and the older, rear-engined Skodas that are due to be phased out.

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BMW disbands dealer advertising groups

Importer urges retailers to use the $300-per-car saving to expand local marketing

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

BMW of North America has disbanded its dealer advertising associations and has stopped forcing dealers to pay an average of $300 per car into an advertising fund.

With the money freed from dealer advertising groups, BMW is "encouraging" dealers to buy their own ads and to step up marketing efforts in their local markets, said Carl Flescher, vice president of marketing.

BMW will continue to buy and place ads identifying local dealers, but only in its 25 or 30 top markets, he said. Some dealers may form their own associations to share ad costs, and some individual dealers may have to finance their own tailor-made ads.

"The job of the dealers is not to advertise BMW. That's our job. Their job is to market their own dealerships," Flescher said.

Ron Tonkin, president of the National Automobile Dealers Association and a critic of compulsory dealer advertising assessments, praised BMW's action.

"A dealer can far more effectively spend money to market cars in his own marketplace than somebody in New York or L.A. can do with a rather innocuous ad that identifies multiple dealers in fine print at the bottom," Tonkin told *Automotive News*.

"I hope this serves as an example to the rest of the industry."

Tonkin said manufacturers charge dealers for factory-sponsored ads based on either a dollar figure per car, like BMW, or on a percentage of the retail price.

"This can be the difference between making money or not making money, when you're spending $8,000, or $10,000 or $12,000 a month back to your automakers for advertising," Tonkin said.

Flescher said BMW's dealer advertising groups were abolished as of Jan. 1. The money — about $300 per car — primarily bought product-oriented ads that also identified local dealers, and "tactical" ads announcing special leasing programs and the like, he said.

In their place, BMW's seven regional marketing managers are helping dealers devise their own local plans, to be executed at the discretion, and at the expense, of the dealers themselves.

Flescher said the move is part of an effort to re-think BMW's whole marketing approach away from what he called "traditional" advertising and toward more "pro-active" efforts. Such efforts include delivering cars for test drives to busy professionals.

"We want to stop the passive dependence on advertising to develop floor traffic and sales. The task of marketing is a lot more than just waiting for the next ad campaign. Dealers have to get much, much better at local marketing," he said.

Without mentioning Lexus and Infiniti by name, he also noted that competition in the luxury market has made it prohibitively expensive to make an impression through advertising alone.

"In this (luxury) market, the big guns — GM, Ford, whoever, and especially the Japanese — are pushing through their advertising effort tremendous amounts of money toward the cost of traditional advertising. The media inflation is incredible," Flescher said.

ECONOMIC OUTLOOK ISSUE

WASHINGTON

Late 1989 plunge in car sales makes recession this year likely; countermeasures take six months to work

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Economic problems that festered in 1989 will take their toll on the first half of 1990, plunging the economy into a period of slow growth and perhaps even recession, said Martha Seger, a governor of the Federal Reserve System.

"You have to look at how we're entering 1990. It's one thing if you're going in at a 45-degree angle because you've been gunning your engines all year," Seger said.

"But we've been in this progressively weaker environment."

Seger said the economy has grown so weak and vulnerable that the risk of recession is high. "I have a growth forecast for next year that is just barely anything, just enough so you can write it in black ink," Seger said. "Write off a few bucks, and you'd be in red ink, showing a decline."

Seger, who describes herself as a fiscal conservative, said she revised her forecast in November after seeing automobile sales figures. ". had a 50/50 chance of a recession. Now, some of the things going on in real estate, some of the terrible auto sales numbers the last two months have convinced me the odds have passed the 50/50, maybe we're 75 percent."

Seger said she is "generally concerned about the next couple of quarters."

In 1990, the growth in the gross national product will barely reach 1 percent, Seger said. "It wouldn't surprise me — there is a 75 percent chance, that we could get a couple of negative quarters. If that's going to happen, it will the first two (quarters) that will be a problem."

Seger said there is a good chance the first two quarters will be negative, led by problems in manufacturing — including the auto industry — and construction.

Seger said the 1989 business indicators suggest that the economy has been in a slowdown that first showed up in manufacturing activity. Manufacturing employment turned sluggish after the first quarter and continued to decline through the year.

Other sectors of the economy started the year weak and progressively lost strength. "What's happened more recently, those areas are weak and getting weaker," Seger said.

The economic problems are the result of Federal Reserve monetary policies that began with economic tightening in 1987. The Fed backed off its tightening after the stock market crashed in October 1987. "Then in early 1988, we started to put our collective feet on the brakes again from March 1988 to March of 1989," Seger said.

Interest rates rose from 8.5 percent in March 1988 to 11.5 percent in March 1989.

Interest rates stabilized, with the prime rate falling to 10.5 at year's end. But the "real economy" — output, employment and income — began to respond to the tightening in September. In the last quarter of 1989, the economy was still feeling the impact of tightening, Seger said.

While the reaction to the tightening rippled downward, the softening grew progressively worse, particularly in the automobile industry. Seger called October and November sales results "deficient and sadly anemic."

In addition, the last quarter experienced the delayed reaction to the strengthening of the U.S. dollar in the first nine months of the year. "This was an unexpected surge in the dollar against a number of foreign currencies," Seger said.

The growing dollar further dragged down the economy because an increasing number of American manufacturers were put at a competitive disadvantage in the foreign exchange market.

"Export business was very strong and a very significant part of our expansion in 1987 and 1988. In 1989, it was sort of petering out due to this situation," Seger said.

"The flip side of this is that it tends to pull imports in like a super-powerful magnet. Either way, it's bad for American business," she said. Automobile importers attempted to create a competitive advantage by holding down prices and advertising the policy, Seger said.

"Volkswagen has run one of those ads saying they've held their prices. Some of the other producers also have emphasized the fact that they're either selling their '90s at the same price, or they have compared their restrained behavior with the American producers' less restrained behavior," Seger said.

"I keep looking for things that are strong, sectors that are strong, and it's difficult to find them. I keep reading the numbers for consumer purchases, and they're not too strong either," she said.

Consumer spending is lethargic, housing is weak, and capital investment is tapering off, she said.

Low corporate profits have been the major disincentive for increased capital spending. "If your profits start looking flaky and shaky or if you have declines or, worse yet, if you have losses, first of all, the expansion arithmetic changes," Seger said.

"Second, most businesses have to rely on their profits, specifically on the profits they retain, to fund their expansion." Only a few businesses "can run into Wall Street and launch a bond issue or a stock issue," Seger said.

Government spending, on the other hand, has not had a significant impact on the growth of the economy because the deficit — as astronomical as it is — has not changed. "Our debt is big, too big, but it isn't getting bigger," Seger said. "In terms of giving a boost to the economy, when it's not changing, it's neither a boost or a drag on the economy."

With the talk of major defense cuts, defense will not give a boost to the economy but could drag the economic indicators down when the reductions are made.

"So I go through all this, and I say, 'Where's the oomph?' " Seger said.

RANDY SANTOS

Martha Seger: Strong dollar pulls "imports in like a super- powerful magnet."

"There's a lot of talk about soft landing. I don't want a recession, I know what damage they do, especially to a state like Michigan. It is not a desirable outcome," said Seger, a former Michigan banking commissioner.

"The slower the economy gets, the more vulnerable it is to some sort of an accident. An accident could be a negative reaction to something Congress does. There could be some tax bill, or it might be some international incident, a hijacking, kidnapping or breakout of war in the Middle East. You don't know."

The economy will be most vulnerable to a recession in the first six months of 1990. "It's too late for us (the Federal Reserve Board) to influence that period. I don't think a lot of people realize that," Seger said.

"Even if we did something terrific or super perfect. A move in December would not impact the economy until the summer."

"What we get in the first two quarters of next year and even in the third quarter is what a friend of mine calls 'baked in the cake.' It's being influenced by things we've already done, good things or bad things. Those moves are working their way through the economy" Seger said.

During the summer, as interest rates inched their way up, the Federal Reserve took modest steps to loosen monetary supply. Short-term rates declined 1 to 1.25 percentage points.

But "on net basis, that means rates are significantly above where they were in the spring of 1988," Seger said.

The interest rate situation makes her especially concerned about industries that are most sensitive to the credit market and high interest rates, including automobiles.

"I personally hope we will see additional easing steps and that this will result in better market rates, short and intermediate," she said.

"If I had my druthers, there would be more easing. Then, at worst, the economy would be flat. At best, maybe peeling off a couple percentage points."

But even a drop in the interest rate may not ease auto industry woes because of the toll rebates and incentives will take on future sales, Seger said. ""I'm interested in having some manufacturing in this country, and I'm interested in having an auto industry that is healthy, buoyant and thriving."

But Seger worries that six years of incentives will stifle future sales. "Unfortunately, we're starting to pay the price."

She explained, "If you buy a new car and get a five-year note on it, for a while, the buyer thinks this is terrific. I can get a new car and pay less a month for it.

"But what most buyers don't understand is that by the time the three years have gone by, they're sick of the car.".

"I have the urge to buy a new car, and a dealer looks at the value of a three-year-old car and looks at the outstanding balance of the loan and says 'Sorry, Charlie, you don't have any equity and, in fact, your equity may be a negative number,' " Seger said.

"I can't even count the number of people I know who have told me they have gotten trapped."

Sales will be weaker than they might have been because of the extended credit terms.

Seger said she spoke at the Economic Club of Detroit and shocked the audience with her prediction that 1989 sales would be down from 1988. "I think it's safe to say that was a pretty accurate forecast," she said.

For 1990, Seger predicts, domestic auto and light-truck sales will be down 10 percent from 1989 sales.

Import sales will also be down because "unlike a few years ago, the imports have also resorted to incentives, and they have gotten suckered into these extended terms," Seger said.

"They are dealing with the same American consumers as the domestic makes are."

While she is certain import sales will decline, Seger declined to give an exact prediction. But she said that the sales decline will not be as steep as that of the domestic models.

Declining auto sales cannot be blamed on consumer confidence. The consumer confidence index is still fairly decent, Seger said. "The average person's confidence is determined by whether or not they're employed, and employment in this country is at record levels," she said.

The employment picture is graying as major corporations, including International Business Machines Co. and American Telephone & Telegraph Co., announce massive layoffs. "As these things spread, they can influence the confidence level. It will be weaker," Seger said.

Should unemployment rise, consumer debt problems will have major repercussions on the economy, she said.

"There are economists who say 'Don't worry, we're seeing increases in holdings of liquid assets, so while consumers' liabilities are rising, their assets are rising faster,' " Seger said.

"There is a real danger here. You are so overwhelmed by these aggregates that you miss major developments that are going on in the guts, the composition."

The consumer group carrying the biggest debt load is not the group with the liquid assets, Seger said. "The gray panthers, the people in their late 60s and 70s, have built up holdings, bank accounts, mutual stocks," she said.

"But the fact that my neighbor has a big savings account doesn't affect me. That's what we're missing here.

"If you reach the point where quite a few people start losing their jobs, that could really give us the acid test of what the quality of consumer credit is," Seger said. Consumer debt is $700 billion — a total Seger finds alarming.

Home equity loans rose from nothing in 1984 to $100 billion in 1989. "That's an obligation for a growing number of people. Even though you have equity in your house, you need monthly cash flow to service that debt," Seger said.

"It makes me extremely nervous that people have tapped the equity in their homes to pay off other kinds of indebtedness, usually for tax purposes and to finance auto purchases, vacations."

Keeping the economy on track is "our No. 1 challenge," she said. "The economy has been growing more slowly in very recent months; we have to keep it on the tracks and keep it out of recession," she said.

"What a recession would do to our budget is incredible to think about," she said.

The first dent would be made in income tax collections.

With the increase in unemployment, expenditures would explode, Seger said.

The Social Security system would feel the strain of more people taking early retirement, and other programs would also feel the strain of rising unemployment. "If you have a recession that puts upward pressure on the expenditure side and downward pressure on the revenue side, it means the deficit wouldn't hang in there around $150 billion but it would probably go through $200 billion and head north," Seger said.

"It would be an automatic response to what's going on in the economy."

1990 BIG 3 FORECASTS

	GM	FORD	CHRYSLER
Vehicle sales (millions)	14.5-15.0	14.5	14.5
Inflation (percent)	4.0	4.0-4.5	4.0
GNP Growth (percent)	1.0-2.0	1.5	1.5
Consumer attitude strong strong soft			

ECONOMIC OUTLOOK ISSUE

10 ANALYSTS

The bearish consensus is declining sales and fierce competition, but not as bad as recession of 1980-82

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

The auto analysts are bearish. They see a definite downturn in 1990 sales of new cars and trucks.

Most of the 10 interviewed by Automotive News carefully avoided the word recession, although they admitted that economic growth slowed enough in the final months of 1989 to be troubling in the new year.

"It will be a very competitive market — more like the 1960s, when we had very shallow slowdowns. But there won't be an energy crisis," summarized Maryann Keller of Furman Selz Mager Dietz & Birney in New York.

Last year marked the eighth year of economic expansion, analysts said, but the growth cycle has reached a turning point. None thought 1990 would be as bad as the recession years of 1980-82.

Averaging the predictions of the 10 auto analysts indicates that car sales in the United States will fall about 5.5 percent to 9.5 million.

They predicted that truck sales will slip about 1 percent, to about 4.7 million.

Analysts see a softer economy based on economic growth of about 1.5 percent. They say unemployment may rise from 5.3 percent at the end of 1989 to as high as 5.8 percent.

In response to sluggish economic growth, the Federal Reserve Board is expected to reduce interest rates, which could help automobile sales.

For 1990, analysts concurred that Chrysler Motors stands to lose the most market share. The demise of Omni/Horizon is a major indicator of Chrysler's car volume and share losses, they said.

If the majority of analysts are right, General Motors will manage to reverse its downslide in car market share.

The consensus of the same analysts a year ago was that GM would gain the most market share of the Big 3 in 1989, but GM's share actually fell from 36 percent to about 35 percent.

The Japanese companies are expected to continue making inroads into the U.S. car market. Toyota/Lexus should be in the best position to gain share and and volume, and Mitsubishi is also expected to gain.

Many European car companies will be losers again in 1990, the analysts said. Most often mentioned were Mercedes-Benz, Audi and Saab.

Analysts surveyed, besides Keller, were: Bernard Campbell of Data Resources; Arthur Davis of Prescott Ball & Turben; Jean-Claude Gruet of UBS Securities; David Healy, an independent analyst; Jack Kirnan of Kidder Peabody; Ann Knight of Paine Webber; Michael Luckey of Luckey Consulting Group; Wendy Beale Needham of Smith Barney; and William Pochiluk of Autofacts.

Here is a summary of their forecasts:

Total U.S. Sales

U.S. consumers are expected to purchase or lease 14.66 million vehicles this year, down about 2.2 percent from 1989.

Pochiluk said he sees a mid-year recovery, and he added that he believes sales of light trucks will prop up the total.

New-car sales in U.S.

Three of the analysts predicted that 1990 sales will decline by only 450,000 units. Campbell said the Big 3 will rely on incentive wars. "They won't sit back and watch the Japanese share increase. One of the Big 3 will blink, and they will be back in bed. It's a fact of the marketplace," Campbell said.

New-truck sales in U.S.

Fewer light truck sales will be lost in 1990, the economists said. The heavy segment has already slowed because of a significant industrial slowdown.

Pochiluk said he believes the light-truck market will lose nothing in the year.

Domestic market share

Each of the Big 3 is likely to lose market share in 1990, the analysts said. But GM will lose the least of its car share in 1990 because of a strong new-product mix, and Davis said he believes GM could gain two points.

Keller, who thinks the best relative performance will come from GM, said, "I keep believing that the GM10 cars are much better than the rate at which they are selling."

Gruet said the Omni/Horizon decision made it easier to predict Chrysler's situation.

"Dynasty and Imperial will help some, but they are skewed more to a lower-end customer. There is scathingly hot competition."

Gains in share, imports

Toyota was unanimously named to gain share because of new products and volume boosts from Lexus.

"Even if Lexus sells only 50,000 cars in 1990 and the rest of Toyota sales are flat, Toyota would gain a half point of share," said Gruet.

Losses in share, imports

The most susceptible companies for losing market share in 1990 are European companies: Mercedes-Benz, BMW, Porsche, Saab and lower-end Yugo.

Among the Asian companies, Gruet said Subaru may lose share "by virtue of the fact that it has moved upstream."

Interest Rates

Nine analysts agreed that interest rates will drop in 1990, reflecting weaker demand and Fed intervention.

"The Fed will lower interest rates as a recession-fighting move," said Pochiluk.

Only Healy said interest rates might rise early in 1990: "There will be a revival in inflation, and the Fed might tighten slightly, and later loosen rates."

U.S. economic growth

The economy will soften signficantly this year, the analysts predicted.

Growth, measured by gross national product, will average a weak 1.40 percent in 1990, compared to 1989's 2.5 percent.

The weakest forecast was 0.5 percent from analyst Kirnan, who also predicted recovery in the second half.

Davis said, "We've been in a recession since spring 1989. It's been a broad-based reliquification period with income up and more-modest spending. Primarily, we are in an industrial slowdown."

Consumer confidence

All 10 analysts agreed that consumer attitudes will weaken in 1990.

European car sales

After several record years, car sales in Europe will decline slightly in calendar 1990, according to most of the analysts. Most predicted a 2 percent to 4 percent decline in car sales on the Continent.

1990 Calendar Year Forecasts

	Bernard Campbell *Data Resources*	Arthur Davis *Prescott, Ball & Turben*	Jean Claude Gruet *UBS Securities*	David Healy *Independent*	Maryann Keller *Furman Selz Mager Dietz & Birney*	Jack Kirnan *Kidder Peabody*	Ann Knight *Paine Webber*	Michael Luckey *Michael Luckey Consulting Group*	Wendy Beale Needham *Smith Barney*	William Pochiluk *Autofacts Inc.*
Total motor vehicle sales in U.S. (millions)	14.5	14.75	14.4	13.7	14.2	14.2	14.0	13.9	14.5	14.77
New-car sales in U.S. (millions)	9.7	9.9	9.7	9.2	9.6	9.5	9.5	9.4	9.5	9.69
New-truck sales in U.S. (includes medium & heavy) (millions)	4.8	4.85	4.7	4.5	4.6	4.7	4.5	4.5	5.0	5.08
Import car sales (millions)	2.7	2.7	2.7	2.45	2.8	2.8	2.9	2.8	2.65	2.99
Import truck sales	500,000	400,000	470,000	435,000	450,000	500,000	500,000	500,000	650,000	650,000
Biggest new-car market share gainer, Big 3	None	GM	None	Ford	None	GM	GM	None	GM	Ford Div. & Buick
Biggest new-car market share loser, Big 3	Chrysler	Chrysler	Chrysler	GM & Chrysler	Chrysler	Chrysler	Chrysler	Ford	Ford & Chrysler	Chrysler & GM
Biggest new-car market share gainer, imports	Toyota	Toyota	Toyota	Honda	Mitsubishi & Toyota	Toyota & Nissan	Toyota	Honda & Toyota	Toyota & Honda	Toyota/Lexus, Nissan/Infiniti and Mitsubishi
Biggest new-car market share loser, imports	Yugo & Mercedes-Benz	Hyundai	Subaru	European luxury brands	European brands	German carmakers	Porsche	Nissan	Europeans	Hyundai, VW, BMW, Saab, Mercedes-Benz, Yugo
U.S. economic growth (GNP) 1990	1.7%	2.0%	1.5%	1.0%	1.5%	0.5%	1.5%	1.0%	1.6%	1.7%
Interest rates-1990	Lower	Lower	Slightly lower	Flat	Lower	Lower	Lower	Lower	Lower	Lower
Unemployment rate-1990	5.5%	5.5%	5.5%	6.3%	5.5%	5.7%	5.4%	6.1%	5.8%	5.6%
Consumer attitudes	—	—	Slightly weaker	—	Remain flat	Level	Weaker	Weaker	Weaker	Much weaker
European car sales	Down 2-4%	Flat	Down 3-4%	Down 3%	Down 4-6%	Down 7%	Plateau or down 1-2%	Down 5-10%	Down	Down 2-3%

'LEMONS' OF '80s: *Safety center says decade had big crop of bad cars*

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Center for Auto Safety says automakers rushed so many new cars onto the market in the 1980s that they produced a bumper crop of lemons.

In a "not so fond" farewell to the decade, the center selected several vehicles that it said "epitomize the worst in automotive technology."

"There were more lemons in the '80s then ever before because there were so many new models," said Clarence Ditlow, director of the center. Ditlow said defects soared because automakers were pushing to downsize cars and improve fuel efficiency while keeping pace with the competition.

Most of the problem cars were manufactured between 1980 and 1985, Ditlow said. With that in mind, "we are hopeful that the 1980s represents the low point and that the 1990s will be the height," he said.

The "awards" drew harsh criticism from Thomas Hanna, president of the Motor Vehicle Manufacturers Association. He called the selections "a ridiculous exercise" and said "people should be cautioned not to take it seriously because it isn't based on serious research and analysis."

Hanna said Ditlow has missed the most important story of the 1980s, which is "a remarkable improvement in automobile quality and safety."

Ditlow said four vehicles stuck in his mind as the biggest lemons: the General Motors X-car, Ford Aerostar, the 1981-83 Chrysler Imperial and the Maserati Biturbo.

Ditlow said GM's X-car would have had fewer problems if its launch had been delayed a year. He said the Chevrolet Citation, Oldsmobile Omega, Buick Skylark and Pontiac Phoenix were recalled 13 times in their first year of production.

He also accused Ford of rushing the Aerostar to the market in 1986. It has been recalled six times. Ford "was trying to play catch-up with the Chrysler minivan," Ditlow said.

Chrysler's 1981-83 Imperial was so problem ridden — many of them tied to computer malfunctions — that it was dropped after only three years on the market, Ditlow said.

The Center for Auto Safety also selected generic lemon winners for five categories. They are: Most Costly, 1980-85 General Motors V-8 diesels; Most Deadly, 1966-80 Fords with automatic transmissions that slip from park into reverse; Most Widespread, 16 million 1980-88 GM front-wheel-drive cars with defective power steering systems; Most Fire Prone, Ford cars and trucks that were subject to more than 60 recalls affecting 6 million vehicles during the decade; Most Slippery, four GM automatic overdrive transmissions, the subject of more than 200 dealer bulletins covering a variety of problems.

LEMONS OF THE 1980s

The Center for Auto Safety named lemons of the 1980s in 21 categories.

Category	Vehicle
Economy	Renault Alliance/Encore
Compact	GM X-car (Citation, Omega, Skylark, Phoenix)
Sport Coupe	Dodge Charger/Plymouth Turismo
Two Seater	Pontiac Fiero
Family Sedan	GM A-car (Celebrity, Cutlass Ciera, Century, 6000)
Luxury	Chrysler Imperial
Muscle Car	Chevrolet Camaro/Pontiac Firebird
Light Truck	Chevrolet S-10
Minivan	Ford Aerostar
Sport-Utility	Suzuki Samurai
Convertible	Cadillac Allante
Motor Home	Winnebago LeSharo, Phasar & Centauri
Ambulance	Ford E350
Exotic	Maserati Biturbo
Most Fragile	Honda CRX
Japanese	Toyota Camry
European	Peugeot 505
Eastern Bloc	Yugo
4wd Car	AMC Eagle
Least Known	Sterling 825
Showcase	1985 Cadillac DeVille/Fleetwood

DRI sees 5-year rise in world car sales

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Despite earlier forecasts of a downturn in world passenger-car demand in 1990, the research group DRI Europe now expects a continuous growth in global sales during the next five years.

But the North American new-car market will be more than one million units below its 1986 peak in 1994, according to DRI Europe's latest World Automotive Forecast Report.

The small worldwide increase in sales pegged for this year and next is attributed to the lateness and mildness of the expected European sales decline and to the strength of the Japanese market following 1989 tax reforms.

In a forecast prepared several weeks before the end of 1989, the London-based research group put 1989 demand at 35,245,000 million units — an increase of 2.4 percent over 1988. Increases in Europe and Japan offset the North American decline.

"World car demand remained strong in 1989, rather stronger than was thought possible at the beginning of the year," the report said.

DRI predicted world demand in 1990 will essentially be stable, with an increase in Japan and gains in several smaller markets counterbalancing a further decline in North America and a long overdue fallback in Europe.

DRI Europe foresees world registrations rising almost imperceptibly to 35,251,000 in 1990 and continuing to grow to 38,422,000 units in 1994.

It predicts North American sales — the United States and Canada — will slip from 11,141,000 in 1989 to 10,992,000 in 1990 and rise to 11,278,000 in 1991.

"The underlying determinants of consumer spending and car demand continue to signal a downturn," according to the report.

Western European new-car sales will fall from an estimated 13,264,000 in 1989 to 13,093,000 in 1990 and 12,967,000 in 1991, DRI Europe predicted. Japan will rise from 4,203,000 in 1989 to 4,277,000 in 1990 and continue to climb thereafter.

DRI Europe expects sales in Japan to rise 7.5 percent from 1990-94 to 4,601,000. During that five-year-period, sales in Western Europe will rise 5.9 percent from 13,093,000 to 13,872,000, and sales in North America will increase 5.3 percent from 10,992,000 to 11,580,000.

But the combined U.S. and Canadian market in 1994 will be more than million units below its 1986 peak of 12,541,000 units, according to DRI, while both Western Europe and Japan are expected to set records in 1994.

While the United States and Canada accounted for 38 percent of the world automotive market in 1986, they represented only 32 percent in 1989. DRI expects that to fall to 30 percent by 1994.

On the production side, North America accounted for 29 percent of world passenger-car output in 1985, but only 22 percent in 1989.

The addition of Japanese transplants in North America is expected to maintain North America's share of world car production at about 22 percent during the next five years.

For the same reason, Japan's share of world auto production, which has been about 24 percent since the mid-1980s, will remain at about that level or possibly decline during the next five years, DRI Europe said.

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INCENTIVE WATCH

CUSTOMER INCENTIVES

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Motors (1988-89 models)						
Chrysler	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge cars	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge trucks	$500-$2,500	6.9	7.9	9.9	9.9	None
Eagle	$750-$1,200	6.9	7.9	9.9	9.9	None
Jeep	$500-$1,000	6.9	7.9	9.9	9.9	None
Plymouth	$500-$750	6.9	7.9	9.9	9.9	None
Chrysler Motors (1990 models)						
Chrysler	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge cars	$300-$1,000	6.9	7.9	9.9	9.9	None
Dodge trucks	$500-$2,000	6.9	7.9	9.9	9.9	None
Eagle	$500-$2,000	6.9	7.9	9.9	9.9	None
Jeep	$500-$1,000	6.9	7.9	9.9	9.9	None
Plymouth	$300-$750	6.9	7.9	9.9	9.9	None
Chrysler Motors (1990 models, guaranteed rebates*)						
Chrysler	$1,000	6.9	7.9	9.9	9.9	Jan. 31
Dodge Daytona	$1,000-$1,500	6.9	7.9	9.9	9.9	Jan. 31
Dodge Trucks	$1,000 - $2,000	6.9	7.9	9.9	9.9	Jan. 31
Eagle	$1,000-$2,000	6.9	7.9	9.9	9.9	Jan. 31
Plymouth Laser	$1,000	6.9	7.9	9.9	9.9	Jan. 31
All minivans	$1,000	3.9	4.9	7.9	9.9	Jan. 31
*—Buyer will receive any increase in rebate through Sept. 30, 1990.						
Ford Motor Co. (1989 models)						
Ford cars	$750-$1,000	6.9	8.9	9.9	10.9	Feb. 5
Ford trucks	$500-$1,250	6.9	8.9	9.9	10.9	Feb. 5
Mercury	$1,000-$1,500	6.9	8.9	9.9	10.9	Feb. 5
Merkur	$3,000-$4,000					Feb. 5
Ford Motor Co. (1990 models)						
Ford cars	$750-$1,000	6.9	8.9	9.9	10.9	Feb. 5
Ford trucks	$500-$1,250	6.9	8.9	9.9	10.9	Feb. 5
Lincoln Continental	$1,000					Feb. 5
Mercury Topaz, Cougar, Sable	$750-$1,000	6.9	8.9	9.9	10.9	Feb. 5
Finance incentives on Aerostar, Taurus, Taurus SHO and Sable are 4.9; 6.9; 8.9; and 10.9.						
General Motors (1989 models)						
Chevrolet cars	$300-$1,000	6.9	8.9	9.9	10.9	Feb. 2
Chevrolet trucks	$500-$1,250	6.9	8.9	9.9	10.9	Feb. 2
GMC	$500-$1,250	6.9	8.9	9.9	10.9	Feb. 2
Olds Cutlass Supreme	$1,500	4.9	4.9	4.9	10.9	Feb. 2
Other Oldsmobile	None	6.9	8.9	9.9	10.9	Feb. 2
Pontiac Grand Prix	$1,000	4.9	4.9	4.9	10.9	Feb. 2
Other Pontiac	$750 - $1,000	6.9	8.9	9.9	10.9	Feb. 2
General Motors (1990 models)						
Buick	$200-$1,250*	6.9	8.9	9.9	10.9	Feb. 2
Chevrolet cars**	$800-$1,500	6.9	8.9	9.9	10.9	Feb. 2
Chevrolet trucks	$800-$1,250	6.9	8.9	9.9	10.9	Feb. 2
GMC	$800-$1,250	6.9	8.9	9.9	10.9	Feb. 2
Olds Cutlass Supreme	$1,000	4.9	4.9	4.9	10.9	Feb. 2
Other Oldsmobile	None	6.9	8.9	9.9	10.9	Feb. 2
Pontiac Grand Prix	$1,000	4.9	4.9	4.9	10.9	Feb. 2
Other Pontiac	$750-$1,000	6.9	8.9	9.9	10.9	Feb. 2
*—Based on option package selected.						
**—Finance rates on Chevrolet Lumina are 4.9; 6.9; 8.9; 10.9.						
Mitsubishi Eclipse (1990)	$1,000					Jan. 31

SALES

DOMESTIC CAR SALES, DECEMBER

	Dec. 21, to Dec. 31, 1989	Same Period, 1988	Dec. 1989	Same Month, 1988	Jan. 1 to Dec. 31, 1989	Same Period, 1988
Alliance	0	0	0	0	0	4,418
Eagle	0	0	0	0	0	1,392
Talon	841	0	1,709	0	7,145	0
Premier	457	1,152	1,083	3,076	38,546	40,872
Total Eagle	1,298	1,152	2,792	3,076	45,691	46,682
Horizon	488	1,290	1,309	3,242	39,315	61,142
Laser	1,195	0	2,535	0	21,098	0
Sundance	1,346	2,681	4,134	7,377	84,335	89,218
Turismo	0	0	0	0	0	1,115
Reliant	224	2,177	859	6,117	32,704	109,858
Acclaim	2,559	924	6,853	1,921	92,017	3,508
Caravelle	0	70	0	164	733	12,903
Gran Fury	0	310	0	861	1,443	13,315
Total Plymouth	5,812	7,452	15,490	19,702	271,645	291,059
LeBaron K	0	85	0	221	787	20,113
LeBaron J	2,301	3,109	5,171	7,863	83,965	99,833
LeBaron GTS	38	238	119	577	4,547	15,169
Fifth Avenue (rwd)	42	654	118	1,541	11,338	35,967
Fifth Avenue (fwd)	1,327	0	2,972	0	11,645	0
Imperial	305	0	1,449	0	2,226	0
New Yorker C	859	3,788	2,254	11,339	73,430	83,622
New Yorker E	0	16	0	35	237	14,550
Total Chrysler	4,872	7,890	12,083	21,376	188,175	269,254
Omni	551	1,531	1,488	3,544	40,185	59,684
Shadow	1,884	2,766	5,807	7,042	82,953	91,090
Charger	0	0	0	0	0	1,022
Daytona	1,280	1,489	2,872	4,197	64,097	72,171
Aries	199	2,504	729	7,010	31,480	102,489
Lancer	41	130	84	345	3,113	10,032
Spirit	2,253	1,418	6,549	3,158	76,558	3,950
Diplomat	0	599	0	1,437	2,551	20,414
Dynasty	3,077	4,490	7,794	11,455	109,250	83,012
Dodge 600	0	76	0	187	808	11,943
Total Dodge	9,265	14,983	25,323	38,375	410,995	455,767
CHRYSLER MOTORS	21,247	31,477	55,688	82,529	917,508	1,062,782
Escort	7,273	14,692	18,142	31,739	333,535	387,815
Mustang	2,947	5,653	6,860	12,747	161,148	170,080
Tempo	6,657	9,928	15,772	23,610	228,426	285,141
Taurus	10,835	13,377	24,450	31,544	348,061	374,627
Thunderbird	2,547	5,502	5,524	10,235	120,645	117,886
Probe	3,314	3,727	7,493	9,800	133,650	77,763
Crown Victoria	3,576	3,381	7,146	8,624	108,085	114,212
Total Ford Div.	37,149	56,260	85,387	128,299	1,433,550	1,527,504
Tracer/Lynx	704	1,609	1,727	3,833	57,966	58,921
Topaz	2,522	3,603	5,701	8,429	85,732	92,723
Sable	3,113	4,160	6,919	9,277	110,962	119,218
Cougar	2,172	3,190	4,695	7,121	99,673	100,961
Grand Marquis	3,178	3,055	6,959	7,794	111,575	114,385
Total Mercury	11,689	15,617	26,001	36,454	465,908	486,208
Continental	1,338	2,653	4,389	6,314	56,441	47,424
Town Car	3,906	3,765	9,486	10,386	119,254	121,674
Mark VII	413	742	1,104	1,931	24,620	22,526
Total Lincoln	5,657	7,160	14,979	18,631	200,315	191,624
Total L-M Div.	17,346	22,777	40,980	55,085	666,223	677,832
FORD MOTOR CO.	54,495	79,037	126,367	183,384	2,099,773	2,205,336
Skyhawk	78	768	224	1,731	16,452	26,056
Somerset/Skylark	2,421	1,943	4,729	3,954	63,725	58,346
Century	4,094	5,638	11,050	12,887	134,682	131,994
Regal	1,833	4,537	4,185	8,805	76,003	122,871
LeSabre	4,300	6,046	10,161	11,851	147,321	141,440
Reatta	56	279	281	565	7,905	4,514
Electra	1,780	2,678	4,652	6,316	77,621	84,453
Riviera	521	792	1,388	1,835	19,208	11,750
Total Buick	15,083	22,681	36,670	47,944	542,917	581,424
Cimarron	0	119	0	222	240	5,884
Allante	27	44	146	123	3,276	3,065
Seville	937	935	2,323	2,170	23,030	22,439
DeVille	4,584	7,429	10,558	15,810	170,444	157,218
Brougham	1,820	1,328	3,968	3,673	39,858	46,743
Eldorado	675	1,280	1,727	2,729	30,051	31,199
Total Cadillac	8,013	11,135	18,722	24,727	266,899	266,548
Chevette	0	0	0	0	0	205
Geo Prizm/Nova	4,153	1,693	11,454	4,382	89,875	96,868
Cavalier	8,485	10,598	22,226	29,066	295,715	306,267
Camaro	1,324	4,077	3,371	9,766	95,469	101,655
Celebrity	584	8,281	2,101	21,490	141,796	252,861
Corsica/Beretta	5,915	13,130	14,804	27,286	326,006	380,301
Lumina/Monte Carlo	6,002	173	15,842	642	111,149	28,740
Caprice	2,535	6,328	6,941	15,133	148,823	172,993
Corvette	522	606	1,631	1,527	23,928	23,281
Total Chevrolet	29,520	44,886	78,370	109,292	1,232,761	1,363,181
Firenza	0	17	0	758	12	9,148
Calais	2,481	3,855	5,739	8,434	95,254	106,117
Cutlass Ciera	3,332	6,986	7,299	15,863	190,720	237,386
Cutlass Supreme	3,918	4,944	8,316	10,442	99,896	116,179
88	2,911	4,662	7,897	10,095	138,357	158,205
98	1,338	2,579	3,423	5,546	65,671	73,348
Toronado	631	448	1,120	868	10,125	14,867
Total Oldsmobile	14,611	23,491	33,794	52,006	600,037	715,270
Fiero	0	449	0	798	1,961	24,121
Pontiac 1000	0	0	0	0	0	154
Sunbird	3,112	3,320	7,944	7,283	101,991	85,573
Firebird	849	1,882	2,052	4,112	55,030	58,493
Grand Am	5,275	12,014	13,859	23,054	202,815	232,010
Pontiac 6000	1,821	3,332	4,068	7,561	67,681	97,928
Grand Prix	2,952	4,949	6,634	9,416	113,216	102,208
Bonneville H	1,845	3,621	5,069	8,406	87,642	107,987
Safari/Parisienne	136	171	168	383	3,991	6,647
Total Pontiac	15,990	29,718	39,824	61,013	634,327	715,119
GENERAL MOTORS	83,217	131,911	207,380	294,982	3,276,941	3,641,542
HONDA	14,785	15,374	31,616	31,427	389,472	375,825
Civic	5,684	6,610	12,589	14,016	174,364	127,581
Accord	9,101	8,764	19,027	17,411	215,108	248,044
MAZDA	2,248	1,377	3,713	2,577	41,584	31,331
MITSUBISHI	2,033	0	3,383	0	32,018	0
NISSAN	1,818	3,479	4,221	7,882	103,134	112,125
TOYOTA	13,162	9,391	23,318	12,349	212,388	72,354
VOLKSWAGEN	0	0	0	0	0	24,939
DOMESTIC TOTAL	193,005	272,046	455,686	615,130	7,072,816	7,526,034
IMPORT TOTAL	0	0	194,671	261,515	2,794,598	3,065,073
INDUSTRY TOTAL	0	0	650,357	876,645	9,867,414	10,591,107

U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

SALES

FROM PAGE 3

the market, the largest share among the Japanese manufacturers. Much of Honda's success can be attributed to its Accord, which was the best-selling car in the United States in 1989. It was the first time a Japanese-designed car took top honors. Sixty-one percent of the cars Honda sold in the United States were built in this country.

In 1988, the best seller was the Ford Escort. Escort — with an all-new 1991 model due this spring — ranked third in 1989. Ford Taurus captured second place.

Last year's total of 14.8 million car and truck sales was the lowest since 1984 when sales fell a bit short of 14.5 million, and this year has opened on a sour note.

GM, Ford and Chrysler will close 42 of their 62 assembly plants in the United States and Canada for a week or more this month, idling some 140,000 workers. The shutdowns will trim production by about 400,000 vehicles.

Also, manufacturers have provided millions of dollars in the form of customer and dealer rebates and low-interest financing to stimulate showroom traffic. Those rebates, analysts believe, pulled sales into the third quarter and contributed to softer sales in the final three months of 1989.

IMPORTED CAR SALES, DECEMBER

	Dec. 1989	Dec. 1988	12 Mos., 1989	12 Mos., 1988
Acura	9,857	9,830	142,061	128,238
Alfa Romeo	166	359	2,912	4,476
Audi	1,890	1,306	21,283	22,941
BMW	4,463	7,169	64,881	73,359
Chevrolet	7,902	9,012	115,669	116,435
Chrysler	702	492	7,950	9,873
Daihatsu	1,215	823	15,118	11,460
Dodge	1,702	3,410	36,693	52,521
Eagle	837	2,292	23,026	19,315
Ford	4,103	5,738	69,328	69,167
Honda	20,335	33,008	251,569	265,122
Hyundai	10,548	21,352	183,261	264,282
Infiniti	1,723	0	1,723	0
Isuzu	577	1,522	16,296	24,520
Jaguar	1,879	2,040	18,967	20,727
Lexus	4,545	0	16,302	0
Maserati*	20	17	280	733
Mazda	16,770	17,668	221,794	224,719
Mercedes-Benz	7,113	6,647	75,714	83,627
Mercury	298	782	8,765	15,261
Mitsubishi	8,396	5,483	79,751	69,975
Nissan	21,393	31,183	405,147	360,745
Peugeot*	433	492	6,054	6,712
Plymouth	1,636	2,794	34,516	46,803
Pontiac	917	6,501	44,641	64,037
Porsche	659	1,227	9,476	15,732
Saab	1,444	2,700	31,576	38,490
Sterling	361	382	5,907	8,901
Subaru	7,646	12,749	136,112	155,946
Suzuki	306	280	6,009	524
Toyota	39,798	57,007	494,969	616,529
Volkswagen	8,511	10,115	133,650	143,861
Volvo	5,898	5,604	102,620	98,497
Yugo	628	1,531	10,575	31,545
TOTAL	194,671	261,515	2,794,598	3,065,073

*—Estimate

DOMESTIC SALES

CARS

	Dec. 11-20, 1989	Dec. 11-20, 1988
Eagle	933	991
Chrysler	4,542	7,722
Dodge	9,500	11,784
Plymouth	5,165	6,499
Chrysler Motors	20,140	26,996
Ford	27,575	37,105
Lincoln	5,101	7,290
Mercury	8,012	9,715
Ford Motor Co.	40,688	54,110
Buick	13,639	13,481
Cadillac	6,970	7,630
Chevrolet	26,785	31,116
Oldsmobile	11,690	14,431
Pontiac	14,073	16,252
General Motors	73,157	82,919
Honda	11,243	6,695
Mazda	985	617
Mitsubishi	702	—
Nissan	1,491	2,437
Toyota	7,016	1,872
U.S. Car Total	**186,422**	**175,846**

TRUCKS

Chrysler	88	—
Dodge	14,238	13,208
Jeep	5,720	6,986
Plymouth	5,320	5,225
Chrysler Motors	25,366	25,419
Ford Motor Co.	32,534	32,950
Chevrolet	30,853	33,779
GMC	8,663	8,479
Oldsmobile	361	—
Pontiac	391	—
General Motors	40,268	42,258
Nissan	2,167	3,098
U.S. Truck Total	**188,336**	**183,725**
U.S. Car-Truck Total	**255,757**	**279,371**

MARKET SHARES, DECEMBER 1989

	Total Sales	Pct. of Total
SUBCOMPACT	80,166	12.33
COMPACT	122,567	18.85
INTERMEDIATE	169,928	26.12
STANDARD	80,967	12.45
SPECIALITY	2,058	0.32
IMPORT	194,671	29.93
TOTAL	650,357	100.00

U.S. CAR SALES BY MARKETING UNITS, DECEMBER

	Dec. 1989	Percent Share	Dec. 1988	Percent Share	12 Mos., 1989	Percent Share	12 Mos., 1988	Percent Share
Alfa Romeo	166	0.03%	359	0.04%	2,912	0.03%	4,476	0.04%
American Honda	61,808	9.50%	74,265	8.47%	783,102	7.94%	768,985	7.26%
BMW	4,463	0.69%	7,169	0.82%	64,881	0.66%	73,359	0.69%
Buick	36,670	5.64%	47,944	5.47%	542,917	5.50%	581,424	5.49%
Cadillac	18,722	2.88%	24,727	2.82%	266,899	2.70%	266,548	2.52%
Chevrolet	86,272	13.27%	118,304	13.50%	1,348,430	13.67%	1,479,616	13.97%
Chrysler	12,785	1.97%	21,868	2.49%	196,125	1.99%	279,127	2.64%
Daihatsu	1,215	0.19%	823	0.09%	15,118	0.15%	11,460	0.11%
Dodge	27,025	4.16%	41,785	4.77%	447,688	4.54%	508,308	4.80%
Eagle	3,629	0.56%	5,368	0.61%	69,719	0.71%	65,997	0.62%
Ford	99,490	13.76%	134,037	15.29%	1,502,878	15.23%	1,596,671	15.08%
Hyundai	10,548	1.62%	21,352	2.44%	183,261	1.86%	264,282	2.50%
Isuzu	577	0.09%	1,522	0.17%	16,296	0.17%	24,520	0.23%
Jaguar	1,879	0.29%	2,040	0.23%	18,967	0.19%	20,727	0.20%
Lincoln	14,979	2.30%	18,631	2.13%	200,315	2.03%	191,624	1.81%
Maserati*	20	0.00%	17	0.00%	280	0.00%	733	0.01%
Mazda	20,483	3.15%	20,245	2.31%	263,378	2.67%	256,050	2.42%
Mercedes	7,113	1.09%	6,647	0.76%	75,714	0.77%	83,627	0.79%
Mercury	26,299	4.04%	37,236	4.25%	474,673	4.81%	501,469	4.73%
Mitsubishi	11,779	1.81%	5,483	0.63%	111,769	1.13%	69,975	0.66%
Nissan	27,337	4.20%	39,065	4.46%	510,004	5.17%	472,870	4.46%
Oldsmobile	33,794	5.20%	52,006	5.93%	600,037	6.08%	715,270	6.75%
Peugeot*	433	0.07%	492	0.06%	6,054	0.06%	6,712	0.06%
Plymouth	17,126	2.63%	22,496	2.57%	306,161	3.10%	337,862	3.19%
Pontiac	40,741	6.26%	67,514	7.70%	678,968	6.88%	779,156	7.36%
Porsche	659	0.10%	1,227	0.14%	9,476	0.10%	15,732	0.15%
Saab	1,444	0.22%	2,700	0.31%	31,576	0.32%	38,490	0.36%
Sterling	361	0.06%	382	0.04%	5,907	0.06%	8,901	0.08%
Subaru	7,646	1.18%	12,749	1.45%	136,112	1.38%	155,946	1.47%
Suzuki	306	0.05%	280	0.03%	6,009	0.06%	524	0.00%
Toyota	67,661	10.40%	89,356	7.91%	723,659	7.33%	688,883	6.50%
Volvo	5,898	0.91%	5,604	0.64%	102,620	1.04%	98,497	0.93%
VWoA	10,401	1.60%	11,421	1.30%	154,933	1.57%	191,741	1.81%
Yugo	628	0.10%	1,531	0.17%	10,576	0.11%	31,545	0.30%
TOTAL	650,357	100.00%	876,645	100.00%	9,867,414	100.00%	10,591,107	100.00%
TOTAL GM	216,199	33.24%	310,495	35.42%	3,437,251	34.83%	3,822,014	36.09%
TOTAL FORD	130,788	20.11%	189,904	21.66%	2,177,866	22.07%	2,289,764	21.62%
TOTAL CHRYSLER	60,565	9.31%	91,517	10.44%	1,019,693	10.33%	1,191,294	11.25%
TOTAL JAPANESE	196,812	30.57%	223,788	25.53%	2,565,447	26.00%	2,449,213	23.13%
TOTAL EUROPEAN	33,465	5.15%	39,589	4.52%	483,896	4.90%	574,540	5.42%
TOTAL KOREAN	10,548	1.62%	21,352	2.44%	183,261	1.86%	264,282	2.50%

*—Est mate Big 3 totals include their captive imports. Percent share may contain error of one or two points due to rounding.

Sales charts compiled by Karen Dettkowski

PRODUCTION

Output skids: 4th quarter is 7-year low

By Kathy Beyer
AUTOMOTIVE NEWS STAFF REPORTER

U.S. auto production for the final quarter of 1989 was 1,633,710, the lowest total for that period since the recession of 1982 when 1,203,660 cars were built.

Fourth-quarter car output dipped 13.93 percent from 1,898,220 in the fourth quarter of 1988.

The updated car production estimate for calendar 1989 is 6,857,470 units, 3.81 percent below the 7,129,420 assembled in the 1988 calendar year.

December's car build of 430,666 slid to the lowest total for that month since the 1982 figure of 383,921.

Last month's production dropped 22.66 percent from 556,812 in December 1988.

Automakers scheduled production of only 40,737 units last week as downtime for inventory adjustment extended the holiday at nearly 20 assembly plants.

Last week's estimated production was split as follows: Ford Motor Co., 34.51 percent; Honda of America Manufacturing, 14.78 percent; Chrysler Motors, 10.56 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 9.82 percent; Toyota Motor Manufacturing U.S.A., 8.43 percent; New United Motor Manufacturing Inc., 8.15 percent; Diamond-Star Motors, 5.37 percent; Nissan Motor Manufacturing Corp. U.S.A., 3.88 percent; General Motors, 3.15 percent; and Subaru-Isuzu Automotive, 1.35 percent.

Truckmakers built 912,249 units during the final quarter of last year, 11.66 percent below the 1,032,658 completed in the fourth quarter of 1988.

Estimated calendar-year truck production of 4,099,049 units was 0.81 percent below the 1988 actual build of 4,132,729.

December's assembly of 271,353 trucks fell 14.69 percent short of the year-ago month's 318,070, which is the all-time high for December.

Last month's total also was about 14,000 below the 285,494 trucks produced in December 1987.

Canadian cars rise for quarter

Canadian car production for the fourth quarter of last year totaled 280,696 units, 24.42 percent above the year-ago quarter's 225,604.

The updated calendar-year car estimate is 1,004,247, 2.15 percent below the 1,026,323 built in 1988.

Car assembly during December totaled 81,497, up 36.61 percent over the year-ago month's 59,657.

Canadian truckmakers completed 221,901 units in the final three-month span of 1989. That was 10.17 percent below 1988's fourth-quarter build of 247,035.

Truck production for the 1989 calendar year is estimated at 942,235, an increase of 0.90 percent over the 1988 total of 933,826.

Last month's truck production of 62,514 slipped 12.16 percent from the year-ago month's 71,170.

U.S. CAR	Week Ended Jan. 6, 1990	Week Ended Jan. 7, 1989	Week Ended Dec. 23, 1989	Dec. Total	Jan. 1 to Jan. 6, 1990	Jan. 1 to Jan. 7, 1989
Horizon	900	0	1,329	1,329	900	0
Sundance	1,200	2,261	1,777	5,970	1,200	2,261
Acclaim	0	914	0	5,142	0	914
Total Plymouth	2,100	3,175	3,106	12,441	2,100	3,175
LeBaron J	0	2,094	0	6,035	0	2,094
LeBaron GTS	0	218	0	0	0	218
N. Yorker C-Class	0	2,237	591	2,042	0	2,237
Fifth Avenue	0	0	730	2,285	0	0
Imperial	0	0	556	1,765	0	0
Total Chrysler	0	4,539	1,877	12,107	0	4,539
Omni	700	0	1,076	1,076	700	0
Daytona	0	2,099	0	4,000	0	2,099
Shadow	1,500	2,156	2,746	8,673	1,500	2,156
Dynasty	0	2,989	2,943	9,352	0	2,989
Lancer	0	193	0	0	0	193
Spirit	0	1,106	0	5,571	0	1,106
Total Dodge	2,200	8,543	6,765	28,672	2,200	8,543
CHRYSLER MOTORS	4,300	16,257	11,748	53,220	4,300	16,257
Escort	2,395	6,801	2,923	9,597	2,395	6,801
Mustang	2,964	2,960	3,503	7,706	2,964	2,960
Tempo	0	3,077	3,163	9,808	0	3,077
Taurus	3,375	6,568	8,617	28,031	3,375	6,568
Thunderbird	0	2,266	3,788	7,389	0	2,266
Total Ford Div.	8,734	21,672	21,994	60,531	8,734	21,672
Topaz	0	1,142	1,227	4,200	0	1,142
Cougar	0	2,266	1,608	3,327	0	2,266
Sable	817	2,326	1,868	6,195	817	2,326
Total Mercury	817	5,734	4,703	13,722	817	5,734
Continental	1,005	1,449	1,080	3,973	1,005	1,449
Mark VII	494	721	554	1,904	494	721
Town Car	3,009	2,173	3,266	11,371	3,009	2,173
Total Lincoln	4,508	4,343	4,900	17,248	4,508	4,343
Total L-M Div.	5,325	10,077	9,603	30,970	5,325	10,077
FORD MOTOR CO.	14,059	31,749	31,597	91,501	14,059	31,749
Skyhawk	0	874	0	0	0	874
Skylark/Somerset	0	2	1,963	6,155	0	2
Century	0	2,595	1,726	6,223	0	2,595
Riviera	0	475	511	1,842	0	475
Electra	0	1,608	2,080	6,512	0	1,608
LeSabre (fwd)	0	0	4,122	13,002	0	0
LeSabre (rwd)	232	176	206	811	232	176
Reatta	0	220	0	438	0	220
Total Buick	232	5,950	10,608	34,783	232	5,950
Eldorado	0	539	409	1,473	0	539
Seville	0	411	840	2,594	0	411
Brougham (rwd)	0	853	1,179	3,845	0	853
DeVille (fwd)	0	2,926	3,760	11,620	0	2,926
Allante	60	60	75	240	60	60
Total Cadillac	60	4,789	6,263	19,772	60	4,789
Cavalier	0	7,064	5,832	18,788	0	7,064
Camaro	0	2,027	1,827	6,828	0	2,027
Celebrity	0	3,606	0	0	0	3,606
Corsica/Beretta	0	6,347	8,952	28,672	0	6,347
Caprice	992	2,759	2,249	8,402	992	2,759
Corvette	0	360	560	1,792	0	360
Total Chevrolet	992	22,163	19,420	64,482	992	22,163
Calais	0	0	1,721	5,307	0	0
Cutlass Ciera	0	1,343	2,488	7,096	0	1,343
Cutlass Supreme	0	0	3,472	11,534	0	0
Toronado	0	228	488	1,367	0	228
88 (fwd)	0	3,221	2,404	7,769	0	3,221
88 (rwd)	0	182	128	279	0	182
98	0	1,663	1,429	4,454	0	1,663
Total Oldsmobile	0	6,637	12,130	37,806	0	6,637
Sunbird	0	2,039	3,179	11,472	0	2,039
Grand Am	0	3,892	4,862	15,370	0	3,892
Firebird	0	1,260	758	2,749	0	1,260
Grand Prix	0	0	3,923	7,807	0	0
Pontiac 6000	0	1,677	1,571	5,193	0	1,677
Bonneville	0	1,842	1,661	5,129	0	1,842
Safari/Parisienne	0	94	0	0	0	94
Total Pontiac	0	10,804	15,954	47,720	0	10,804
GENERAL MOTORS	1,284	50,343	64,375	204,563	1,284	50,343
DIAMOND-STAR	2,186	372	2,737	10,482	2,186	372
HONDA	6,020	5,656	6,930	23,221	6,020	5,656
Civic	1,440	1,971	1,667	5,903	1,440	1,971
Accord	4,580	3,685	5,233	17,318	4,580	3,685
MAZDA†	4,000	3,483	4,264	14,186	4,000	3,483
NISSAN	1,582	1,586	2,077	7,284	1,582	1,586
NUMMI	3,320	2,354	3,586	11,407	3,320	2,354
Corolla	1,720	1,351	1,708	5,407	1,720	1,351
Geo Prizm/Nova	1,600	1,003	1,878	6,000	1,600	1,003
SUBARU-ISUZU*	550	0	550	1,440	550	0
TOYOTA	3,436	0	4,196	13,382	3,436	0
Total Cars, U.S.	40,737	111,810	132,080	430,686	40,737	111,810
Total Cars, Canada	3,874	12,589	26,439	81,497	3,874	12,589
U.S., Canada Cars	44,611	124,399	158,499	512,183	44,611	124,399
U.S., Canada Cars and Trucks	93,983	209,445	256,073	574,677	93,983	209,445

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes MX-6, 626, and Ford Probe
*—Estimated

CANADIAN CAR	Week Ended Jan. 6, 1990	Week Ended Jan. 7, 1989	Week Ended Dec. 23, 1989	Dec. Total	Jan. 1 to Jan. 6, 1990	Jan. 1 to Jan. 7, 1989
Monaco	900	0	958	1,184	900	0
Premier	220	0	317	1,366	220	0
CHRYSLER MOTORS	1,020	0	1,275	2,550	1,020	0
Tempo	0	2,883	2,719	9,018	0	2,883
Topaz	0	1,017	1,619	4,301	0	1,017
Crown Victoria	0	2,084	2,504	7,441	0	2,084
Grand Marquis	0	2,050	2,912	9,563	0	2,050
FORD MOTOR CO.	0	8,034	9,754	30,323	0	8,034
Celebrity	0	173	537	1,819	0	173
Cutlass Ciera	0	3,285	3,057	9,309	0	3,285
Lumina	0	10	7,444	23,561	0	10
Regal	0	0	943	3,081	0	0
GENERAL MOTORS	0	3,468	11,981	37,570	0	3,468
HONDA	1,600	982	2,000	6,581	1,600	982
HYUNDAI*	310	0	310	960	310	0
TOYOTA	800	0	975	2,937	800	0
VOLVO	144	125	144	576	144	125
Total Cars, Canada	3,874	12,589	26,439	81,497	3,874	12,589

U.S. TRUCK	Week Ended Jan. 6, 1990	Week Ended Jan. 7, 1989	Week Ended Dec. 23, 1989	Dec. Total	Jan. 1 to Jan. 6, 1990	Jan. 1 to Jan. 7, 1989
Caravan	3,300	2,116	2,210	7,558	3,300	2,116
Dakota	0	1,446	2,232	7,137	0	1,446
Caravan C/V	100	183	87	285	100	183
Ram pickups	0	1,443	2,054	6,023	0	1,443
Total Dodge	3,400	5,188	6,583	21,003	3,400	5,188
Cherokee	0	2,437	4,448	13,049	0	2,437
Comanche	0	481	282	929	0	481
Grand Wagoneer	0	265	0	850	0	265
Wagoneer	0	121	94	272	0	121
Total Jeep	0	3,304	4,824	14,900	0	3,304
Voyager	2,500	2,021	1,723	6,887	2,500	2,021
Town & Country	25	0	37	117	25	0
Total C-P Div.	2,525	2,021	1,760	7,004	2,525	2,021
CHRYSLER MOTORS	5,925	10,513	13,167	42,907	5,925	10,513
Aerostar	3,200	3,770	3,964	12,519	3,200	3,770
Bronco	0	1,845	1,218	4,338	0	1,845
Bronco II	2,111	1,929	2,825	8,090	2,111	1,929
Econoline	3,348	3,863	4,124	9,008	3,348	3,863
Mediums/Heavies	1,009	1,048	1,225	4,068	1,009	1,048
Light trucks	5,012	8,234	11,340	36,385	5,012	8,234
Ranger	3,247	4,785	6,435	18,240	3,247	4,785
Total Ford Div.	17,927	25,274	30,929	92,868	17,927	25,274
FORD MOTOR CO.	17,927	25,274	30,929	92,868	17,927	25,274
Astro	0	2,556	2,817	8,846	0	2,556
Blazer	0	525	0	1,181	0	525
Lumina APV*	1,405	0	1,758	4,841	1,405	0
Mediums/Heavies	162	0	289	1,036	162	0
P-Model	0	0	711	2,109	0	0
Pickups	130	9,825	8,448	26,673	130	9,825
S-10	3,069	3,723	3,508	15,580	3,069	3,723
S-10 Blazer	0	2,916	1,804	9,080	0	2,916
Sportsvan/Van	0	130	1,923	5,964	0	130
Suburban	0	1,202	0	3,321	0	1,202
Total Chevrolet	4,766	20,877	19,238	78,481	4,766	20,877
Jimmy	0	151	0	367	0	151
Mediums/Heavies	260	0	319	894	260	0
P-Model	0	0	131	445	0	0
Pickups	59	3,461	3,857	11,184	59	3,461
S-15	671	1,259	1,283	4,142	671	1,259
S-15 Jimmy	0	681	489	2,761	0	681
Safari	0	634	961	3,538	0	634
Suburban	0	831	0	1,333	0	831
Vandura/Rally Vans	0	4	535	1,832	0	4
Total GMC	990	7,021	7,355	26,296	990	7,021
Olds Silhouette*	405	0	384	1,353	405	0
Pontiac Trans Sport*	815	0	663	2,880	815	0
GENERAL MOTORS	6,976	27,898	27,840	108,790	6,976	27,898
NAVISTAR	894	887	1,514	4,816	894	887
NISSAN	2,034	1,846	2,755	9,404	2,034	1,846
SUBARU-ISUZU*	550	0	550	1,728	550	0
AM GENERAL*	450	360	450	1,440	450	360
MISCELLANEOUS*	3,000	1,840	3,000	9,600	3,000	1,840
Total Trucks, U.S.	37,756	68,618	80,005	271,353	37,756	68,618

CANADIAN TRUCK	Week Ended Jan. 6, 1990	Week Ended Jan. 7, 1989	Week Ended Dec. 23, 1989	Dec. Total	Jan. 1 to Jan. 6, 1990	Jan. 1 to Jan. 7, 1989
Caravan	2,695	2,723	2,582	10,760	2,695	2,723
Caravan C/V	170	172	166	586	170	172
Ram Wagon	0	559	532	1,677	0	559
Ram Van	0	1,413	1,815	5,077	0	1,413
Total Dodge	2,865	4,867	4,905	18,100	2,865	4,867
Voyager	2,255	2,188	2,398	7,258	2,255	2,188
Total Plymouth	2,255	2,188	2,398	7,258	2,255	2,188
Wrangler	0	680	0	3,062	0	680
Total Jeep	0	680	0	3,062	0	680
CHRYSLER MOTORS	5,120	7,735	7,303	28,420	5,120	7,735
FORD MTR (lt. trks.)	2,432	2,717	3,278	10,204	2,432	2,717
Light trucks	2,704	2,757	3,605	12,308	2,704	2,757
Vans	0	1,132	1,006	3,912	0	1,132
Total Chevrolet	2,704	3,889	4,611	16,220	2,704	3,889
Light trucks	1,200	1,332	1,278	4,730	1,200	1,332
Vans	0	542	893	2,295	0	542
Total GMC	1,200	1,874	2,171	7,025	1,200	1,874
GENERAL MOTORS	3,904	5,763	6,782	23,245	3,904	5,763
NAVISTAR	160	213	206	645	160	213
Total Trks., Canada	11,616	16,429	17,569	62,514	11,616	16,429
U.S., Canada Trks.	49,372	85,046	97,574	333,867	49,372	85,046

*—Estimated
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.